

STATE OF WASHINGTON DEPARTMENT OF EARLY LEARNING

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July 15, 2010

TO: Interested Stakeholders

FROM: Andy Fernando, Department of Early Learning Rules Coordinator

SUBJECT: Concise Explanatory Statement (Under RCW 34.05.325) for

Final Adoption of Amended WAC 170-290-0082 Implementing

Engrossed Second Substitute House Bill 3141

RCW 34.05.325 requires that when a state agency adopts a permanent rule (known as Washington Administrative Code or WAC), the agency must prepare a "Concise Explanatory Statement" (CES). This statement is a public document that summarizes:

- By category, comments received at public hearings or in written form on the proposed version of the rule (the summary is not intended as a verbatim account);
- Whether the final rule was changed as a result of the comments; and
- Changes from the proposed to the final version of the rule.

The Department of Early Learning (DEL) sends the Concise Explanatory Statement to everyone who testified at public hearings, sent a written comment, or asks to receive the CES. The CES is also posted on the DEL website (see http://www.del.wa.gov/laws/development/Default.aspx, DEL Rules Under Development).

I. Background

The 2010 Legislature adopted Engrossed Second Substitute House Bill 3141 (HB 3141), a bill to redesign the delivery of Temporary Assistance to Needy Families (TANF). Section 2 of the bill creates a new section of DEL's Revised Code of Washington (RCW) 43.215, stating in part,

- "(1) The department [DEL] shall establish and implement policies in the Working Connections Child Care program to promote stability and quality of care for children from low-income households. Policies for the expenditure of funds constituting the working connections child care program must be consistent with the outcome measures defined in RCW 74.08A.410 and the standards established in this section intended to promote continuity of care for children.
- "(2) Beginning in fiscal year 2011, for families with children enrolled in an early childhood education and assistance program, a head start program, or an early head start program, authorizations for the working connections child care subsidy shall be effective for twelve months unless a change in circumstances necessitates reauthorization sooner than twelve months.

- "(3) The department, in consultation with the department of social and health services, shall report to the legislature by September 1, 2011, with:
- (a) An analysis of the impact of the twelve-month authorization period on the stability of child care, program costs, and administrative savings; and
- (b) Recommendations for expanding the application of the twelve- month authorization period to additional populations of children in care."

Since eligibility and eligibility periods for the Working Connections Child Care (WCCC) program are set in rule, DEL is amending WAC 170-290-0082 - *Eligibility period*, to make the rule consistent with HB 3141.

Rule Proposal and Public Comment Period. Before filing proposed rules, DEL obtained input from several stakeholder organizations that expressed an interest in the potential changes to the WCCC rules to implement HB 3141, and from the Department of Social and Health Service (DSHS). ¹ This input was considered in the drafting of the proposed rules.

On May 19, 2010, DEL filed proposed changes to WAC 170-290-0082, filing number WSR 10-11-127. Public hearings were held in Bellingham on June 22, Tacoma on June 23, Seattle on June 24, Yakima-Selah on June 25, and Spokane on June 26, 2010. A total of 46 people attended these hearings. Thirty-five written comments were received by the June 26 comment deadline. The table in section II below summarizes the issues raised at the hearings and in written comments.

WCCC in Relation to State Budget Issues. Consideration of potential changes to the WCCC rules must be viewed in relation to the current state budget climate. There was no additional state or federal funding provided for implementation of E2SHB 3141.

The WCCC program is not immune from the budget cuts that have affected other state agencies. Declining state revenue, including multibillion dollar budget shortfalls, combined with struggling labor markets and a rising unemployment rate, have contributed to the State's weakened economic condition. The Governor is looking ahead to the next budget cycle and another sizable shortfall that must be addressed in the 2011–13 budget.

WCCC funding is tied to funding for the Temporary Assistance to Needy Families (TANF) program. Currently, there is also a shortfall of funds in the "TANF Box," which is comprised of a mix of federal block grants, temporary federal stimulus funds, federally required state match, and other funds. The temporary federal stimulus dollars will run out in fiscal year 2011 unless Congress extends the stimulus program.

The restrictions on funding in HB 3141, combined with the continuing shortfall in General Fund revenue and the TANF Box funds, means that DEL is limited in its ability to expand the extended 12-month eligibility program to the extent requested by many of the department's stakeholders. DEL will continue to review proposals to revise the WCCC rules that have a budget impact as the state's economic condition progresses.

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¹ By state law, WCCC is operated jointly by DEL and DSHS. DEL sets WCCC policy and adopts the program rules. DSHS accepts applications for WCCC, determines family eligibility for WCCC subsidies, and processes payments to child care providers.

I. Summary of Issues Raised in Public Comments, and DEL's Responses, Noting if the Proposed Rule was Changed as a Result

[Note: Most issues were voiced by more than one person or organization. The comments in the first column are a summary, and are not intended to reflect a verbatim account.]

Issues raised in public comments on proposed WAC 170-290-0082:

CHANGE IN CIRCUMSTANCES - INCOME: Family income should be allowed to rise or decrease by up to \$250 a month without the family losing WCCC eligibility. This would address minor fluctuations in wages, hours, and pay that any family needs to contend with.

This would also alleviate the "cliff effect" for families with income near the upper limit for WCCC eligibility. If an income change makes such a family ineligible for WCCC, they may need to pay for child care at unsubsidized private rates. They may also lose their child care provider, if that provider needs to keep a slot open for another WCCC-eligible child. This disrupts the continuity of the child's care and the family's stability.

The purpose of passing HB 3141 was to achieve the intent of stability of care for kids. And we've seen this as a first step toward extending authorization period for all families in WCCC. This is a pilot that is based on a small population of people so that we can look at the costs and the savings and the impact on the families with the hope of making the case that we should be able to do this for a larger number of families. It's great that they have a 12 month period, but the rule doesn't actually increase the stability for the child, or we don't believe it will as much as it would for families that are experiencing a changes in income and whose children experiencing the destabilization of families worried about looking for a job, worried

Was the proposed rule change as a result of this comment?

The proposed WAC 170-290-0082 WAS NOT changed as a result of these comments. However, DEL plans to open and amend WAC <u>170-290-0031</u> – *Notification of Changes* to revise income changes that a family must report under WCCC. ²

DEL recognizes that stable child care is a cornerstone of supports for families trying to transition from public assistance to work, and for lower income families who would be unable to work without affordable child care. The department is committed to improving the continuity and stability of care for those families receiving WCCC subsidies.

DEL intends to revise the rule to require reporting only an *increase* that may make the family's countable income rise above 200% of the federal poverty guidelines (FPG). A family could, but would not be required to report an income decrease.

This revision would mean that many families with incomes well below 200% of the FPG would not need to report small income changes.

The rule revision above would not alleviate the "cliff effect" for families who lose WCCC subsidies when their income rises above 200% of the FPG. However, allowing a family to continue receiving WCCC when their income rises above the current limit would require using additional state funds. The legislature was clear that HB 3141 be implemented without additional state appropriations. If existing state funds were used, it would reduce the total WCCC funds available to pay benefits for other eligible families.

Families who receive WCCC subsidies when they are not

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² Under RCW 34.05 (the Administrative Procedure Act), DEL cannot add a WAC section at the final adoption stage that was not included in the formal proposal. DEL must file a new or supplemental proposed rule making notice to amend WAC 170-290-0031 and open a new public comment period.

Issues raised in public comments on proposed WAC 170-290-0082:

about lowering their income.

If a family's income rose or decreased by \$250 a month or less than the family would not have to go through a full redetermination

[Other individuals suggested allowing between \$300 and \$500 per month for change of income before DSHS does a full redetermination.]

Continuity of care is the paramount issue for children birth to five years old for social-emotional development and cognitive development. Interruptions in care and changes in care givers impacts the healthy growth and development of the child. Unfortunately, the draft rules would leave in place many of the barriers that make the current system frustrating.

Requiring reporting of small changes in income will have an adverse effect on immigrant families, who are disproportionately employed in jobs that are temporary in nature and their incomes are more likely to fluctuate.

Families should not be required to report any changes in circumstance during the 12-month eligibility period. This leads to a full eligibility redetermination by DSHS.

Was the proposed rule change as a result of this comment?

eligible are subject to an "overpayment," meaning that the family must repay the state for that portion of their child care. An overpayment is similar to a collection action, and can also pose as much or more hardship on a family than having to report changes in income. The state may be subject to audit findings if it fails to collect overpayments.

The "barriers" noted in the comment are requirements put in place to assure that WCCC families remain eligible for the child care subsidies they receive, and that the state remain accountable to the federal government for expenditure of federal Child Care and Development Fund (CCDF) dollars. DEL must comply with federal regulations for the state to continue receiving CCDF funding. To the extent that HB 3141 may be subject to more than one interpretation, RCW 43.215.060 requires that the law be interpreted "in favor of the construction most likely to comply with federal laws entitling the state to receive federal funds for the various programs of the department (DEL)..."

Not all changes reported result in a full DSHS eligibility redetermination. Under the current rules, DSHS only does a full redetermination if a reported change would affect the family's continued WCCC eligibility. Such changes may include:

- Income increase that may raise the family over 200% of the FPG;
- Some changes in family size; or
- The parent is no longer working or in an approved activity, unless the parent is in a "gap period" under WAC 170-290-0055.

If the family reports a change that does not impact their WCCC eligibility, DSHS notes the change but does not conduct an eligibility redetermination.

A family or their child care provider may benefit from reporting some changes. Reporting a decrease in income may reduce the family's copayment, in some cases to as low as \$15 per month, the minimum amount. **NOTE:** DSHS cannot raise a family's copayment during their eligibility period, even if the family's income increases. This is in the current WAC 170-290-0085 Change in copayment.

Issues raised in public comments on proposed WAC 170-290-0082:	Was the proposed rule change as a result of this comment?
	Reporting changes in the family's needed child care hours, or changing child care providers, assures that providers are paid correctly. This helps avoid possible overpayments or underpayments.
CHANGE IN CIRCUMSTANCES - INCOME: Could DEL allow a month or two transition period of paid child care subsidies for families whose income puts them over the 200% level? This would allow the family time to find new child care if needed. DSHS should not terminate a family whose income fluctuates, putting them over 200% of FPG for a month.	The proposed rule WAS NOT changed as a result of this comment. DEL recognizes that families who lose WCCC benefits may face having to find a new child care provider, sometimes on short notice. This disrupts the stability for the child and the family. However, paying WCCC subsidies for a family who is no longer eligible would mean spending additional state funds. The Legislature was clear that HB 3141 must be implemented without additional state appropriations. Using existing WCCC funding to pay these benefits would reduce the funds available to provide child care subsidies for other eligible families. Allowing a transition period would also require amendment of the state's CCDF plan. DEL may consider the feasibility of providing transition or temporary WCCC benefits at a later time when state budgets allows.
Families who are getting unemployment benefits should be able to qualify for WCCC child care subsidy.	The proposed rule WAS NOT changed as a result of this comment. Under current WAC 170-290-0055, some parents receiving unemployment benefits may qualify for a 28-day "gap period" (and an additional 28-day period if needed), if the family was receiving WCCC benefits when the parent became unemployed, and the parent is either looking for work or has assurances from his or her employer that the job (or another approved activity) will resume during the gap period. But if the parent exhausts his or her gap periods and remains unemployed (or is not in another approved activity), the parent's WCCC eligibility ends. If the parent was not receiving WCCC benefits when he or she became unemployed, receiving unemployment benefits is not in and of itself an approved WCCC activity.

Issues raised in public comments on Was the proposed rule change as a result of this proposed WAC 170-290-0082: comment? DEL understands that parents who are unemployed are having difficulty finding jobs in the current economy. However, allowing WCCC benefits or additional months of benefits solely because a parent is unemployed would require the use of state funds. As noted earlier, HB 3141 clearly states that the bill must be implemented without the expenditure of additional state appropriations. Using existing WCCC state or federal funds to pay such benefits would reduce the amount of funds available to pay child care subsidies for other eligible families. **CURRENT ELIGIBILITY PERIODS OF LESS THAN** The proposed rule WAS changed as a result of these SIX MONTHS: comments. The basis for eligibility periods of less than six DEL agrees that the current and proposed rule are not months is not clear. Sometimes it's one clear regarding when a family may receive WCCC subsidies month. Sometimes it's three months. for less than six months. DEL is revising subsection (1) of Sometimes it's six months. What is the basis proposed WAC 170-290-0082 for final adoption. Under the and why does it seem to vary? The rules revised rule: 3 about the eligibility period should be very clear to parents, to DSHS WCCC eligibility Families who do not get 12-months of WCCC eligibility workers, and to legislators? It's not the under HB 3141 would receive a six-month eligibility period. exceptions that are a concern – its setting up a DSHS would set a shorter eligibility period only if: system that makes sense to parents, sense to The family asks for WCCC subsidy for less than six workers and doesn't churn people through. months, or For families receiving a Temporary Assistance to The redetermination rules are solely on a Needy Families (TANF) grant, the family's individual case-by-case basis. Whether a parent has to responsibility plan indicates that child care is go through a redetermination depends on needed for less than six months. who you talk to and when. This has become clear through this entire process as DEL and The family's eligibility period could end sooner than six DSHS including testifying in front of legislative months if: committees have been unable to articulate The family voluntarily leaves the WCCC program, or how they determine whether a family should DSHS must terminate the family's WCCC eligibility for comes in for a redetermination, whether it is the reasons listed in WAC 170-290-0110 Termination one month, two months, six months. Having of and redetermining eligibility for benefits. clear rules in place would ensure a speedier transaction, would ensure that parents and Because the current eligibility period rule is not clear, local case worker are clear about the rules, and DSHS offices in the past have applied this rule differently, better insure that the state does not make leading to inconsistent application across the state and mistakes and potentially fraud. confusion for WCCC families. DSHS' transition to call

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³ This is a summary of the change. See section III of this Concise Explanatory Statement to read the revised rule as adopted.

Issues raised in public comments on	Was the proposed rule change as a result of this
proposed WAC 170-290-0082:	comment?
	centers was intended in part to improve statewide consistency for the WCCC program in general.
	Since November 2009, DEL has encouraged DSHS workers to give WCCC families a six-month eligibility period whenever possible. This has reduced the number of families who receive less than six months of WCCC eligibility. Currently, 62 percent of all WCCC families receive six-month eligibility.
CHANGE IN CIRCUMSTANCES - JOB SEARCH: Families should be allowed to maintain their subsidies for up to 6 months if the parent	The proposed rule WAS NOT changed as a result of these comments.
loses his or her job and they still participating in a job search activity. Right now you get about 1 month and you are cut off.	Under current WAC <u>170-290-0055</u> Receipt of benefits when not engaged in approved activities, a family may continue receiving WCCC benefits for up to 28 days if the parent loses a job or ends participation in an approved activity
This would provide some time for parents to find a job—especially in light of the current economy and high unemployment rates. This allows the child to continue to be served in high-quality childcare setting.	(called a "gap period"). The parent may also get a second 28-day period if needed under this rule, as long they are looking for work, are likely to be called back to work, or are in another approved activity during the gap period.
[Note: Some individuals suggested increasing the job search period up to three months; others four months.]	DEL will work with DSHS WCCC workers to inform parents that a second 28-day gap period is available if the parent is unable to find a job during the first gap period.
If parents, especially single mothers, are job searching and collecting unemployment benefits, they should qualify to receive WCCC.	DEL understands that in the current economy, finding a job can take much longer than 28 or 56 days. Having stable child care while looking for work is as important as when the parent is working. But paying WCCC benefits for longer
This rule is a particular hardship for single moms who make up the majority of WCCC recipients. It can be a bit difficult to go on a job interview with a crying baby or fussy toddler in tow.	periods than allowed in the current rule would require using additional state funds. HB 3141 is clear that the bill must be implemented without additional state appropriations. Using existing state or federal funds to pay for more months of WCCC subsidies would reduce the funds available to help other eligible families.
STATE STUDENT IDENTIFICATION NUMBERS (SSID): How will a parent know if their child has a SSID	The proposed rule WAS changed as a result of these comments.
number? How will DEL be gathering data about the	DEL is revising what was subsection (2)(e) of the proposed WAC 170-290-0082. The revised subsection (2)(h) of the final rule will read:
children that are not in a program under a public school or Educational Services District?	"(h) Each child who is receiving services from HS, EHS or

Issues raised in public comments on proposed WAC 170-290-0082:	Was the proposed rule change as a result of this comment?
Will they have different kind of ID number?	ECEAP and is receiving WCCC subsidies will be assigned a unique early learning student identifier. Student information may be merged with information from the Office of Superintendent of Public Instruction [OSPI], the Education Research and Data Center, or both, to measure the child's educational progress from preschool through grade twelve."
	HB 3141 directs DEL and DSHS to study the impact of the bill on child care stability and administrative costs or savings. During the study period, the unique identifier may be used to store data from the WCCC program and the child's HS, EHS or ECEAP program so the information can be analyzed by the organization contracted by DEL to conduct the study. The contractor will not be able to use the identifier to identify any particular child, and DEL will take necessary steps to protect personal information that may be related to the unique identifier. DEL has decided to not use the state student identifier (SSID) issued through OSPI. A child likely has or will have an SSID if the HS, EHS or ECEAP is operated by a public school or Educational Services District, but DEL recognizes that this is not true of all HS, EHS or ECEAPs.
PARENT EDUCATION AS AN APPROVED WCCC ACTIVITY.	The proposed rule WAS changed as a result of some of these comments.
What kinds of parent education will be approved under this rule? Will parent education be defined as classes or will other types of parent-child activities be allowed? Will HS, EHS or ECEAP programs be allowed to provide parent education that is an approved activity for WCCC parents?	 ⁴DEL is revising what was subsection (2)(d) of the proposed rule. In subsection (2)(g) of the final rule, for families receiving WCCC who have a child in HS, EHS or ECEAP: Parent education or family development classes offered by the child's HS, EHS or ECEAP will be an approved activity (meaning parents can receive statepaid child care while attending these classes). As funds are available, other types of parent education not provided through a HS, EHS or ECEAP may be authorized.
Will child care be covered for other siblings eligible for WCCC subsidies while the parent participates in parent education classes?	Child care would be paid for all children in the family who receive WCCC subsidies while the parent is attending approved parent education or family development classes.

⁴ This is a summary of the revised rule. See part III of this Concise Explanatory Statement to read the revised rule as adopted.

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Issues raised in public comments on proposed WAC 170-290-0082:	Was the proposed rule change as a result of this comment?
	DEL recognizes that there are many types of activities that could be called "parent education" or "family development" that may or may not be in a classroom setting. HS, EHS and ECEAPs are required to provide parent education, based on the family's interests and needs, as part of the program's support services. (For example, see the DEL ECEAP Program Standards, section F-6). The changes to the final rule are intended to support HS, EHS and ECEAP parent education efforts. The department plans to establish criteria for "DELapproved" parent education services, so that — subject to available funds - parents may attend activities provided
May child care providers be paid by WCCC for providing parent education?	outside HS, EHS or ECEAP and receive WCCC subsidies. The WCCC program does not pay for providing the parent education. WCCC only pays for child care for eligible children while the parent is attending parent education under amended WAC 170-290-0082.
12-MONTH WCCC ELIGIBILITY FOR HOMELESS AND FOSTER CHILD CARE :	The proposed rule WAS NOT changed as a result of this comment.
Homeless and foster care families served by ECEAP, Head Start, and Early Head Start receiving child care subsidies should be covered for the full 12 months. These families already face incredible instability. We should do all we can to create a less chaotic situation.	A homeless family who is receiving WCCC subsidies and has a child in HS, EHS or ECEAP would qualify for 12 months of WCCC eligibility under HB 3141 and WAC 170-290-0082. However, not all homeless families are eligible for WCCC subsidies.
Why doesn't HB 3141 and the proposed rule apply to a homeless family. Are they eligible for ECEAP and Headstart? Foster children would seem to be definitely are eligible for WCCC – there's no income issue with those copulations. What I don't understand is that there's no income issue with those two copulations – so why is this an issue?	The DEL Homeless Child Care program uses local contractors in some parts of the state to provide short term child care assistance to help a family transition to a more stable situation. There is no work or approved activity requirement to receive Homeless Child Care as there is for WCCC participants. Once a family finds housing, a job or training program, the family may be able to transition to longer-term assistance programs, including WCCC. The Homeless program does not fall under WAC 170-290-0082.
	The program that pays for child care for foster families is run by the DSHS Children's Administration under rules adopted by DSHS and from separate funding sources from the WCCC program. See Chapter 388-25 WAC . DEL does not have authority to adopt rules

Issues raised in public comments on proposed WAC 170-290-0082:	Was the proposed rule change as a result of this comment?
	directing the eligibility period for Children's Administration. DEL is forwarding this comment to the Children's Administration for consideration.
GENERAL COMMENT – COST OF THE PROPOSED RULE:	The proposed rule WAS NOT changed as a result of this comment.
My hope that this rule will save money through administration. In fact I fear the opposite is true, that this will cost a great deal of money, and that money will have to be siphoned out of the limited pool that is available now. If there are costs then those have to be dealt with, and there's no more money appropriated (for HB 3141), that the money will have to come out of the other part of the WCCC program. So, the solution proposed by this bill and rule puts the burden of the benefits that its providing — a wonderful benefit - to the few puts that burden on the many I agree with the intent of the proposed rule, but the other side of the coin for me, as a advocate for increasing the quality of child care, where will these funds come from if WCCC does indeed go over the budget for this year?	The Legislature was clear that HB 3141 must be implemented without additional state appropriations. DEL and DSHS are striving to implement the bill and this rule with as little administrative cost increase as possible, and to achieve cost savings wherever possible. DEL and DSHS will monitor administrative costs or savings that result from implementation of HB 3141 and the final rule. Both departments must report the results of their implementation effort to the Legislature, and the report will be available to the public.
CHANGE OF CIRCUMSTANCES – REPORTING: Reporting changes takes parents' time away from work. There are times the parents call	The proposed rule WAS NOT changed as a result of this comment. DEL and DSHS are committed to streamlining the process
the call center and they're on hold for a long time. Most of these families are hourly employees. They may have a 15 minute break. They may not be a telephone for them to use at work. It's putting a hardship on some very at risk families. I don't see a lot of changes from what it currently is, other than DSHS is looking at that eligibility.	for families applying for WCCC and for reporting changes in the family's circumstances. DEL will discuss with DSHS the feasibility of allowing parents to submit changes of circumstances by voice mail, fax or e-mail, if such reporting methods would improve WCCC efficiency. If this is feasible, it may not require a rule change.
When a parent calls the call center, the sometimes get a message saying DSHS will call them back, but the call comes when the	See the comments above on why reporting some changes in circumstances may be beneficial to WCCC families.

Issues raised in public comments on	Was the proposed rule change as a result of this
proposed WAC 170-290-0082: parent is at work. They can't take time off to	comment?
answer the call.	
EXPANDING 12-MONTH ELIGIBILITY TO ALL WCCC FAMILIES:	The proposed rule WAS NOT changed as a result of this comment.
Extended 12-month eligibility and reduced reporting for changes in circumstances should apply to all families in the WCCC program. Applying these changes only to families with children in HS, EHS or ECEAP is discriminatory. This proposed rule leaves family home child care at a disadvantage compared to HS, EHS and ECEAP programs. Unless this provision is extended to family home child care, parents will chose other programs.	The Legislature determined that HB 3141 should apply only to families in the WCCC program who also have a child receiving HS, EHS or ECEAP services, to establish a limited group to test the impact of extending WCCC eligibility to 12 months. The bill directs DEL and DSHS to make recommendations on expanding 12-month eligibility to other families in WCCC.
	A family with a child enrolled in HS, EHS or ECEAP may also have child care outside the program - known as "wrap around" child care - since not all HS, EHS and ECEAP programs provide on-site child care. In these cases, parents may already be using other licensed or in-home/relative child care. Establishing 12 months of WCCC family eligibility in the amended rule is expected to increase stability for these child care providers as well, since the 12-month eligibility follows the child receiving HS, EHS or ECEAP.
	Siblings of the child in HS, EHS or ECEAP who are also eligible for WCCC subsidy will be getting care in a licensed child care (including family homes) or an in-home/relative setting. The amended rule is expected to increase stability for these providers.
	If the child leaves the HS, EHS or ECEAP program that provides on-site child care, the family's current 12 month eligibility period continues as long as the family remains eligible for WCCC. The family may choose a licensed child care center, licensed family home child care, or an inhome/relative provider for that child.
VERIFICATION OF HS, EHS OR ECEAP ENROLLMENT:	The proposed rule WAS NOT changed as a result of this comment.
How will DSHS workers know if the parent receiving WCCC has a child enrolled in Head Start, Early Head Start or ECEAP? Sometimes parents do not know the differences between these programs and other preschools.	HS, EHS and ECEAP programs will use a common enrollment verification form that the program will complete and give to parents. The parents will give the form to DSHS. This is expected to alleviate any confusion.

Issues raised in public comments on	Was the proposed rule change as a result of this
proposed WAC 170-290-0082:	comment?
APPROVED ACTIVITIES – JOB SEARCH AND SCHOOL:	The proposed rule WAS NOT changed as a result of this comment.
Those who are attending higher education such as offered through a community college – including General Equivalency Diploma (GED) programs – should be allowed to credit their class hours towards the 40 hours of job search. Their education increases their job readiness.	This comment refers to DSHS TANF/WorkFirst rules, and not DEL WCCC rules, and is therefore outside of the scope of what DEL can change in this rule.
PARENT EDUCATION:	The proposed rule WAS NOT changed as a result of this comment.
How does a parent get DSHS approval to receive WCCC subsidy while the parent is attending parenting education?	The parent informs DSHS that they plan to attend parent education offered by their child's HS, EHS or ECEAP, as well as the hours and date(s). The DSHS worker determines if the parent education hours fit within the parent's current authorized child care hours, or if additional hours are needed. If additional hours are needed, DSHS will authorize additional child care hours.
GENERAL COMMENT: COST OF THE RULE VS. SAVINGS:	The proposed rule WAS NOT changed as a result of this comment.
Oregon, Mass and Michigan, have moved to a 12-month eligibility without additional cost. Why? Because these state were able to offset any increased costs in subsidy with administrative savings. Fewer authorizations in general have led to less paperwork, less work in general and less human resources. It also led to better customer service and less red tape for all.	In DEL/DSHS conversations with Oregon and Massachusetts state subsidy programs, neither state has determined whether administrative savings have yet offset budget costs of changing to 12-month subsidy eligibility. DEL will research Michigan's experience with offering 12-month eligibility. As noted above, DEL plans to amend WAC 170-290-0031 Notification of changes to revise income changes that a family must report. This is expected to reduce administrative costs.
STUDY REQUIRED BY HB 3141 ON CHILD CARE STABILITY; COSTS OR SAVINGS:	The proposed rule WAS NOT changed as a result of these comments.
Is there anything in place to take a look at how the new rules might affect positively keeping HS enrollment a hundred percent, what kind of cost saving that might bring. There is a lot of work in enrolling families. Is there anything in place to measure savings there? I would think of that kinds of measurement might be	DEL is in the process of contracting to design and implement the study required by HB 3141 regarding how the bill impacts child care stability and administrative costs or savings. These comments and questions will be considered as part of that process.

Issues raised in public comments on	Was the proposed rule change as a result of this comment?
proposed WAC 170-290-0082: helpful to show to show how it creating any savings.	comment?
If the family with a child in HS. EHS or ECEAP has other children who are not in those programs but get the 12 month eligibility, are we going to be capturing information for those children?	
How is DEL or DSHS going to measure educational progress? If a family is receiving a subsidy under WCCC, then the provider would have to be doing some educational assessment. How would DSHS and DEL are you currently gathering that information? I would say that you have some existing programs in HS and ECEAP that are already collecting that data for children - we are required to do educational assessments. We could provide you lots of information.	
Why aren't families receiving seasonal child care subsidies included in the 12-month eligibility group?	The proposed rule WAS NOT changed as a result of this comment.
	HB 3141 limits the 12-month eligibility period to families in the WCCC program at this time. DEL and DSHS must study the impact of extended eligibility on family stability and administrative costs or savings. The two agencies must report the results of this study, and recommendations on expanding 12-month eligibility to other families in WCCC and potentially other child care subsidy programs.

(i) The consumer no longer wishes to

III. Changes to the final rule compared to the proposed rule.

[Extra spaces are added between subsections as needed so that comparable content may be viewed side by side.]

Amended WAC 170-290-0082 as Proposed Amended WAC 170-290-0082 as Adopted [Note: In the proposed rule, underlined text is [Note: In the final rule, underlined text is wording wording DEL proposed to add. Text that is that is being added. Text that is lined-through is lined-through is current wording that DEL had current wording that is deleted.] proposed to delete.] WAC 170-290-0082 Eligibility period. WAC 170-290-0082 Eligibility period. (1) Six-month eligibility. DSHS may approve a (1) Six-month eligibility consumer for ((a)) an eligibility period up to six (a) DSHS may approve a consumer for a months, except as provided in subsection (2) of period up to A consumer who meets all of the this section. A consumer's eligibility may end requirements of part II of this chapter is eligible for before his or her end date as stated in WAC six months, except as provided in subsection (2) of 170-290-0110. this section. (b) A consumer's eligibility may be for less than six months if: (i) Requested by the consumer; or (ii) A TANF consumer's individual responsibility plan indicates child care is needed for less than six months. (c) A consumer's eligibility may end before his or her end date as sooner than six months if: (i) The consumer no longer wishes to participated in WCCC; or (ii) DSHS terminates the consumer's eligibility as stated in WAC 170-290-0110. (2) Twelve-month eligibility for consumers (2) Twelve-month eligibility. with children receiving services from head (a) A consumer who meets all of the start (HS), early head start (EHS), or an early requirements of part II of this chapter and has a child childhood education and assistance program receiving services from head start (HS), early head (ECEAP). start (EHS), or an early childhood education and (a) A consumer who meets all of the assistance program (ECEAP), is eligible for WCCC requirements of part II of chapter 170-290 subsidies for twelve months. WAC, and has a child receiving services from (b) A consumer's eligibility may be for less HS, EHS, or ECEAP, is eligible for WCCC than twelve months if: subsidies for a period of twelve months. The (i) Requested by the consumer; or consumer's eligibility may end before his or her (ii) A TANF consumer's individual end date as stated in WAC 170-290-0110. responsibility plan indicates child care is needed for less than twelve months. (c) The consumer's eligibility may end sooner than twelve months if:

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(b) All children in the consumer's household under WAC 170-290-0015 are

eligible for the twelve-month eligibility period.

- (c) The twelve-month eligibility period for WCCC begins and ends as follows:
- (i) Once DSHS verifies a child is receiving services, the twelve-month eligibility period begins on the date that the consumer's initial application or reapplication for WCCC is approved.
- (ii) The twelve-month eligibility continues regardless of whether the child continues to receive services from HS, EHS, or ECEAP. Consumers must notify DSHS within ten days when the child is no longer receiving services from HS, EHS, or ECEAP.
- (iii) Eligibility ends as stated in WAC 170-290-0110 or if the parent requests termination of WCCC.
- (d) During a consumer's twelve-month eligibility period, culturally appropriate parent education and family development classes are approved activities.
- (e) If a child who is receiving services from HS, EHS, or ECEAP has a unique state student identifier (SSID) assigned by the office of superintendent of public instruction, and a twelve-month eligibility period for WCCC, the SSID is used to identify and measure the child's educational progress.

participate in WCCC; or

- (ii) DSHS terminates the consumer's eligibility as stated in WAC 170-290-0110.
- (d) All children in the consumer's household under WAC 170-290-0015 are eligible for the twelvemonth eligibility period.
- <u>(e) The twelve-month eligibility period</u> begins:
- (i)(A) When benefits begin under WAC 170-290-0095 for TANF consumers or WAC 170-290-0100 for consumers not receiving TANF; or
- (B) Upon reapplication under WAC 170-290-0109(4) for TANF consumers or WAC 170-290-0109(5) for consumers not receiving TANF; and
- (ii) When DSHS verifies that the child is receiving services from HS, EHS, or ECEAP.
- (f) The twelve-month eligibility continues regardless of whether the child continues to receive services from HS, EHS, or ECEAP.
- (g) During a consumer's twelve-month eligibility period, parent education and family development classes offered by HS, EHS, or ECEAP are approved activities. As funds are available, other DEL-approved parent education and family development classes may be authorized.
- (h) Each child who is receiving services from HS, EHS, or ECEAP and is receiving WCCC subsidies will be assigned a unique early learning student identifier. Student information may be merged with information from the office of superintendent of public instruction, the education research and data center, or both, to measure the child's educational progress from preschool through grade twelve.